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Executive Registry
17-2816

4 JUN 1973

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Dolph Bridgewater, Associate Director,
Office of Management and Budget, 25 May 73

PRESENT: OMB--Messrs. Bridgewater, Frey, Donahue; CIA--Messrs.
Colby, Brownman, Briggs; IC Staff--General Allen,
[redacted]

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1. Mr. Colby welcomed the OMB group and, after Bridgewater noted his particular interest in talking about the President's charge to develop DCI Objectives, said that he had been impressed by HEW's Management by Objectives efforts and had instituted a similar approach in CIA. He applauded the decentralized management philosophy, with accountability, that it incorporates. He said that the Agency evaluation phase was weak and that a new system was now being implemented. He noted that there will be a major difficulty in evolving a Community approach, since there are many built-in contradictions among the existing departmental systems. He mentioned having just had a useful discussion with Dr. Hall, ASD(I). He told Hall that he didn't want to descend on member agencies with multiple reviews, and was thinking in post-audit-review terms, rather than forthcoming budget involvement; he did note that the IC Staff would participate in pieces of any new budget review. Donahue asked if IC Staff would participate in the DOD Financial Plan process and was told, "yes," by [redacted]

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2. Mr. Bridgewater said he had three purposes in coming to visit: (a) to get acquainted (with Mr. Colby as DCI-designate); (b) to discuss time table changes in submission of DCI Objectives to the President, given the upcoming change in DCI; and (c) to see if Mr. Colby had any major objection to the Schlesinger-approved DCI Objectives list.

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3. Mr. Colby said that he and Mr. Schlesinger had thought that the Community Planning Guidance might be issued by the incumbent DCI, with the new DCI reaffirming that guidance when he submitted the Objectives package to the President. Bridgewater expressed skepticism, saying that the new DCI couldn't really be held accountable. After further discussion, Mr. Colby said that it might not be necessary to issue a DCI Planning Guidance document; the DCI Objectives response to the President might well suffice. He said that he preferred short, snappy goals and objectives, not eternal verities. The goals in the present list he thought were in the right areas, although a little short term. He said he would like to put more specificity to them. He said he'd like to pin the list down by 15 June. Bridgewater suggested submitting a final draft version to OMB in late June, prior to formal submission to the President. Mr. Colby said he thought that perhaps Mr. Kissinger should get a quick look too, before submission. Bridgewater rather uncomfortably noted that discussions were underway now as to what the NSC review role (if any) might be. He suggested for the third time staying loose on submittal date.

4. Mr. Colby made several observations, consistent with Mr. Schlesinger's statements to Mr. Bridgewater at their first meeting: national intelligence has been focused on national security for 25 years; with the detente, strategic warning interest will be against technological surprise, major focus being on probing into future weapons potential and R&D concerned therewith. Also, major interest is on monitoring agreements; he asked, rhetorically, whether we will be able to assume a monitoring capability vis-a-vis MBFR. All this means, he said, looking more to departmental support on national security matters. But new target interests have emerged, including economic intelligence, narcotics, terrorism and environmental control support. Bridgewater noted that this is consistent with the earlier draft. He said that he could see an intelligence role vis-a-vis narcotics and terrorism, but he felt it harder to define the intelligence role in economics. Mr. Colby said that the main role was in analysis, with a limited degree of collection of protected information: not so much aimed at penetration of, [REDACTED] as knowing ahead of a meeting, what the negotiation plan is. Bridgewater said that hard information might be gathered on the wheat crop; Mr. Colby

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5. Some discussion ensued about the customer often not knowing exactly what he wants in the international economic field; Mr. Colby made reference to our assistance to Treasury through assignment of a man there. Bridgewater mentioned a US economic grievance list and asked about some CIA role in maintaining such a list. No one present had any knowledge of such a CIA role. (The basis for the question apparently is a [redacted] memo of 22 May 1973 to several addressees including "W. E. Colby, Director, CIA", suggesting that such a list be maintained and soliciting comment by 8 June. Action was assigned to the DDI.)

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6. Bridgewater asked if the IC Staff has reviewed the DOD Objectives, noting that they seemed to be at odds with the President's intelligence desires--so an issue may be emerging. General Allen said that Objective No. 7 in the draft, having to do with the resource review procedure, was re-done by the IC Staff to try to accommodate Mr. Clements somewhat, but that they subsequently decided they were pussyfooting and the current draft, the General feels, may irritate DOD more than the original. Mr. Colby said that the third draft is consistent with the President's desires. He noted, ironically, that the Congress also likes the idea of the DCI being able to get the resource management role the President wants so that they can be better informed than they are now. That, he said, is tricky business.

7. Mr. Colby noted that Mr. Schlesinger, as Secretary of Defense, will be the key figure; to the extent that he as DCI follows policies begun by Mr. Schlesinger as DCI, things should go fairly well. Bridgewater asked again for the final draft in advance of formal submission, sometime shortly after mid-June. Mr. Colby said he would like to circulate the draft again to the member agencies, which General Allen thought might not be necessary; Donahue supported the coordination idea. Mr. Colby again suggested that perhaps a separate DCI Planning Guidance was not necessary.

8. In looking at the Intelligence Community, Mr. Bridgewater said that the interdependence of results leaps out, not so of the activity. This points, he said, to organizational anomalies. Mr. Colby said that much of the problem was in DOD but that within CIA, interdependence was particularly great with State, [redacted] Bridgewater observed that CIA appears to have an independent flexibility.

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9. To set the resource review stage internally in CIA, Mr. Colby referred to the former Executive Director-Comptroller role which he held, saying that he viewed it as half a job. He said that Harold Brownman's role was that of Agency manager and that Chuck Briggs as head of Program Review and Planning worked for the DD/M&S, both with a charter to go anywhere in the Agency, to knock down former walls. He said, "their authority to sweep the Agency is total" and said that he intends that this be made clear throughout. General Allen and the IC Staff, he said, overview the Community, including CIA.

10. Speaking of the DCI's two hats, he said that the DCI has both a resource and a substantive review authority from the President, but not a line authority with respect to the other agencies. Nevertheless, the President's letter, he said, puts a charge on the DCI to say what the resource level ought to be. Mr. Bridgewater said that the distinction between command and control probably is clear to everyone else but is not so clear to him. Mr. Colby said that the word was coordination, not control. The concept is that there will be a strong DCI. Mr. Bridgewater reasserted that the President intends to deal only with the DCI and that OMB is charged to reassert that position. He said that the D/OMB letter to the DCI was not carelessly worded. General Allen noted that he hadn't really focused Mr. Colby's attention to that letter, but will.

/s/ Charles A. Briggs

Charles A. Briggs
Director of Planning,
Programming, and Budgeting

Distribution:

Orig - PPB Subject

1 - Mr. Colby

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